# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

STARRED QUESTION NO:434
ANSWERED ON:24.08.2000
NATIONAL POLICY FOR POWER SUPPLY TO RURAL AREAS
RAMJI LAL SUMAN;SUKDEO PASWAN

**Will the Minister of POWER be pleased to state:**

(a) whether the Government have contemplated to formulate any national policy for power supply in the rural areas;

(b) if so, the details thereof; and

(c) the time by which the policy is likely to be implemented?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRIMATI JAYAWANTI MEHTA )

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO. 434 TO BE ANSWERED IN THE LOK SABHA ON 24.8.2000 REGARDING NATIONAL POLICY FOR POWER SUPPLY TO RURAL AREAS.

(a) to (c) : The Ministry of Power has been contemplating a new legislation i.e. Electricity Bill, 2000 which, inter-alia, proposes that supply of electricity will be ensured to all areas including villages and hamlets for which a national policy would be formulated by the Central Government after consultations with the State Governments. The draft of the proposed Bill which is presently under consideration also envisages the national policy to provide for bulk purchase of power and management of local distribution in rural areas through Users Associations, Co-operatives, Franchisees or Panchayat Institutions. It is also envisaged that the policy would permit non-conventional stand alone energy systems for rural areas.

The Ministry of Power has also held consultations with various experts in the energy sector to have an holistic approach to the problem of un-electrified villages. During the course of discussions, the following issues have emerged:-

(i) inclusion of Rural Electrification as part of Basic Minimum Service as it may not always be economically viable for the State Electricity Boards (SEBs) at the current rates of tariff and cost of funds.

(ii) special emphasis to Dalit Bastis and Tribal Villages for achieving 100% village electrification.

(iii) encouragement to non-governmental participation in Rural Electrification programme.

(iv) allowing private players to generate/buy and sell electricity to consumers as it may be difficult for SEBs alone to ensure quality electricity supply to rural areas.

(v) non-conventional sources for the villages located in remote and difficult areas, where extension of grid would not be feasible.

(vi) Need to address total energy requirements rather than electricity requirements alone in rural areas in a convenient and cost effective manner.

(vii) metering and full accounting of the supply of electricity to rural areas.

(viii) providing subsidies, but in an explicit and focussed manner, particularly for remote and inaccessible villages, Dalit-Bastis and Tribal Areas.

These and other related issues are being considered by a Group of Ministers constituted by Cabinet Committee on Economic Affairs. The Group has been constituted to review the existing schemes relating to electrification of Dalit Bastis and Tribal Villages and benefitting other weaker sections and suggest modifications for accelerating the pace of electrification, so that they enjoy the benefits of electrification to the same extent as other areas/sections of the population.